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Rep. Doggett and Rep. Waxman Assail Midnight Deal to End Tariffs on U.S. Cigarettes in Trade Agreement with Chile

Today Rep. Lloyd Doggett (D-TX) and Rep. Henry A. Waxman (D-CA) called for a full investigation into a midnight trade deal by U.S. Trade Representative Robert Zoellick that will phase out tariffs on U.S. cigarettes sold in Chile. As of yesterday afternoon, the Administration's stated position to congressional staff was that cigarettes would not be included in the trade negotiations. In the ensuing hours, however, this position was abandoned, and the final deal announced this morning includes an end to tariffs on all tobacco products.

"This last-minute, closed-door reversal is only the latest example of this Administration's willingness to appease Big Tobacco at the expense of public health," said Rep. Doggett. "The stockings of Big Tobacco's political allies are bulging with campaign contributions, while the victims are offered only disability and lingering death from emphysema, lung cancer, and heart disease."

"The United States government made a midnight deal to help tobacco companies export death and disease," said Rep. Waxman. "Congress and the American people deserve to know exactly what led our government to put the interests of the tobacco companies over public health."

Before today's reversal, Administration officials had decided for public health reasons not to ask Chile to open its borders to tobacco products. Tobacco products are uniquely lethal and addictive and, according to the World Health Organization (WHO), kill 4.9 million people a year. The World Bank has concluded that lower prices (such as those caused by lower tariffs) substantially increase consumption of cigarettes. WHO has found that when markets in developing countries open up to cigarette imports, smoking rates rise.

"Big Tobacco is determined to maintain a growing global consumer base no matter how many people they kill," said Rep. Doggett. "The American taxpayer ought not to have to be an unwilling accomplice in their deaths."

"With fewer smokers in the United States, tobacco companies are seeking to addict a new generation of customers in the developing world," Rep. Waxman said. "I suspect that Philip Morris and other tobacco companies, which have contributed millions of dollars to the Republican Party, are behind our government's midnight deal to lower these tariffs."

In recent years, Chile's tariff has stood at 8% of the value of the imported tobacco products. In 1998, Chile imported 5.5 million cigarettes from the United States.

Tobacco use is a serious public health problem in Chile. Already, a survey in the capital city of Santiago found that 38% of young teens smoke.